New Political Economy, Vol. 5, No. 1, 2000

Regional Challenges to Globalisation: Perspectives from Southern Africa

CAROL B. THOMPSON

Globalisation will not lead to the progressive global enmeshment heralded by liberal analysts. Existing inequalities make it more likely that globalisation will lead to an increasingly sharp division between core states, which share in the values and benefits of a global world economy and polity, and marginalised states, some of which are already branded 'failed' states.[1]

Given the dire economic circumstances of the African continent in the midst of globalising forces, this article investigates how the states of Southern Africa, self-defined as 14 countries in the region,[2] endeavour to formulate a regional response. After a brief analysis of Africa's marginalisation, the discussion reviews international political economy (IPE) theories of 'new regionalism' seen as arising from the process of globalisation. A third section discusses how 'development integration' of the Southern African Development Community (SADC) suggests possible alternatives to the marginalisation reinforced by neoliberal globalism. According to Bjorn Hettne, there is not much empirical evidence of the new regionalism,[3] yet this study suggests that Southern Africa has been engaged in formulating 'new regionalism' for over a decade. It is not, of course, argued that Southern Africa will succeed in pursuing regionalism during the globalisation process, for, as is evident even in the European Union (EU), regional coherence and disintegration often proceed together. The two examples investigated here are Southern Africa's approach to military and environmental security. Finally, agreeing with the new regionalism's call for the deployment of the 'region' as the main unit of analysis, the conclusion elaborates the theory by suggesting how it might change our perspectives and understanding.

The marginalisation of Africa

In the globalisation process, the African continent is the most marginalised; it could be said to have devised the concept of 'failed state'. Africa has lost its share of world trade, with this counting for less than 2 per cent by 1997. Always vulnerable to primary commodity price fluctuations, declining prices cost Africa

Carol B. Thompson, Department of Political Science, Northern Arizona University, PO Box 15036, Flagstaff, AZ 86011-5036, USA.

ISSN 1356-3467/00/010041-17

more than twice what it received in aid during 1986–90. Between 1990 and 1993, real commodity prices again fell, by more than half. At the beginning of 1999, the World Bank announced 'a structural break in commodity prices ... not expecting prices to fully recover from current low levels'.[4] The prognoses for how World Trade Organization (WTO) agreements would affect Africa are also not encouraging: 'according to OECD [Organisation for Economic Cooperation and Development] figures, there was only one loser in the Uruguay round, Africa, while European trade is expected to expand by $61 billion per year by 2002. Africa can expect a *contraction* of $2.6 billion' per year.[5]

The reasons for the debt burden of Africa are many, from the corruption of military and civilian leaders, to drought, to failed projects, many directed by Western technology. For Southern Africa, the overwhelming reason for debt is clear: destabilisation by *apartheid.* While the Asian 'tigers', South Korea and Taiwan, had their security financed over decades by the USA, Southern Africa has had to finance its own security. Zimbabwe's debt at the signing of its 1991 Structural Adjustment Programme (SAP) was equivalent to its defence costs during the 1980s. The latest estimate is that *apartheid* cost its regional neighbours US$115 billion.[6]

International non-governmental organisation (NGO) campaigns have assisted in compiling statistics which were not previously made public, and they tell a ghastly story, one the All Africa Conference of Churches calls 'a new form of slavery as vicious as the slave trade'. In sub-Saharan Africa, the GNP per capita is US$308, but the per capita external debt is US$365. Governments spend four times more on interest payments than on health care. In 1996, Africa paid US$2.5 billion more in debt servicing than it received in new long-term loans and credits and is still losing in terms of net capital flows. Southern African debt service as a percentage of export varies from 6 to 25 per cent for each economy. Southern Africa, therefore, continues to pay for *apartheid* invasions of its territories, while it should be noted that, after World War II, Germany, the aggressor, was only required to pay 3.5 per cent debt service.[7]

While external debt appears insurmountable,[8] sub-Saharan Africa has only attracted 1.4 per cent of the US$280 billion invested around the world; the African Development Bank estimates that Africa's share of foreign direct investment (FDI) in developing countries declined from 16 per cent in the 1970s to 5 per cent by the mid 1990s. Yet the FDI that did enter Africa had higher profit ratios (up to 25 per cent) than elsewhere.[9] Foreign investment remains overwhelmingly focused on the extraction of raw minerals. Southern Africa has known the export of profits from such investments for over 100 years; today's globalisation ideology has simply renamed it 'liberalisation'.

The human toll of these macroeconomic statistics defines the real marginalisation: hunger is the greatest manifestation of consumption shortfalls in Africa; grain, meat and overall calory consumption are well below required minimums. Africa is the only continent in the world that has not reached a life expectancy of 60 years (now declining still further because of AIDS). Almost one-third of children under five are underweight and one-third do not reach grade 5 schooling.[10] The extent and depth of the impoverishment of African peoples are such that most would agree that market forces alone cannot improve the quality of life of millions of Africans. Southern African governments suggest that regional co-operation can play a role. Formal regional cooperation in Southern Africa is almost 20 years old, not yet a successful process, but not the failure many predicted. As indicated, the experience of this case can elaborate the advancing formulations of new regionalism theories to which I now turn.

The new regionalism

Two quite different approaches to economic regions both name their theories 'new regionalism'. One addresses the emergence of 'trade blocs', such as NAFTA (North America Free Trade Agreement) or APEC (Asia Pacific Economic Co-operation), and discusses their origins in relation to global multilateralism. Based on neoclassical trade theory, this approach proposes that what is new about regional 'blocs' is that they involve more than trade integration and now include harmonisation of economic policies as a goal; investment diversion is as much a concern to these regions as trade diversion. The blocs generally include many smaller economies allied with one larger economy, with enforcement mechanisms for agreements made credible by the larger power.[11] Yet several scholars interpret trade blocs as indicative of the competitive fragmentation of the global economy, a trend possibly delaying global integration.[12] A brief paragraph cannot adequately reflect the diversity of these analyses; I simply want to emphasise that this study does not engage this theoretical approach, which remains focused on trade integration.

The new regionalism within IPE, by contrast, de-emphasises the competitive base of trade blocs, stating that, for regional trade to occur, cooperation, not just competition, is required. This interaction is almost too obvious to point out, except that policies promoting globalisation have overly emphasised the increased competitiveness required to keep pace—from SAP requirements to open markets, to 'downsizing' with severe intensification of labour production. However, not only competition, but 'collusion' advances globalisation.[13] The new regionalism in IPE proposes to analyse the seeming contradiction of the necessity of both competition and cooperation within regional entities.

This approach to 'new regionalism' (referred to simply as 'new regionalism' from now on) begins by questioning the current drive toward a single global market. It challenges whether a single global logic will determine national development. Such approaches are normative and their failure is widely agreed upon, no matter whether the arguments are couched in terms of modernisation or dependency theories, or variations on these themes.[14] Yet the 'single global market' of neoliberalism perpetuates this tradition. Individual countries, however, are not islands in the sea of globalism, but interact with close neighbours in ways that impact upon both their own national development and global interactions. Within each region, the character of interaction helps to define the possibilities of each national development. Regions are shaped by the world order and, reciprocally, reshape that world order.[15]

Theories of new regionalism also propose that regional interactions are not structured by a single market. In many parts of Southern Africa, for example, it is local, rural markets which sustain. These rural markets do not acknowledge formal borders, but create their own logic of innovative supply to local demand:

> Large groups of the population—at times whole states—owe their survival to the semi-official, and often clandestine, flows which go across boundaries in Africa. One of the reasons for the failure of trade liberalisation schemes has been the fact that they do not address this issue.[16]

It is estimated by one study that informal regional trade in East Africa is three times the magnitude of official trade.[17] The trade marginalisation of Africa identified above thus seriously underestimates total trade by calculating formal linkages at the global—not the informal cross-border—level. With *apartheid* South Africa systematically attacking regional rail, road and telecommunication lines for almost two decades (1975–1992), local markets and local systems of communication (including cross-border) were often the only means of survival.

New regionalism is multifaceted, does not simply consider trade nor the economic sector, but suggests that social and cultural domains merit stronger emphasis. James Mittelman suggests that social systems and civil societies should be a part of regional analysis. Hettne differentiates old regionalism (trade integration) as 'specific with regard to objectives, the new is a more comprehensive, multidimensional process'.[18] This multidimensional process of building regional identity is best summarised by Andrew Hurrell in discussing the formation of 'cognitive regions':

> Discussions of regional awareness lay great emphasis ... on the discourse of regionalism and the political processes by which regionalism and regional identity are constantly defined and redefined; and on shared understandings and the meanings given to political activity by the actors involved.[19]

In Southern Africa, shared understandings are even more relevant because 'national' borders were drawn by Europeans, who were quite ignorant of the family and community enclaves they were partitioning.[20] The idea of 'separate development' (*apartheid*—boundaries and inequities dividing ethnic groups) was successfully rejected by South Africans and Namibians as well as Zimbabweans under Rhodesia, all fully supported by their other regional neighbours. Remaining consistent with this, the SADC member states' approach to regionalism rejects 'separate development' of the individual countries, which were just as falsely (and forcefully) divided as the ethnic groups within South Africa.

Emerging from the field of political economy where the construction of politics is not separate from economics, new regionalism validates political interaction as coequal with economic exchange relations in building regional cooperation. In this sense, it is also a critique of globalisation to the extent that that process decreases the legitimate domain of the political. Globalisation is driven by technical efficiency which silences political discourse. As economic decisions have become more centralised and treated as simply technical options, there seems to be *less* opportunity for the free flow of information and debate, reducing both transparency and accountability. The WTO is an excellent example of this, as it is run by unelected technocrats who are unaccountable to any citizenry for the consequences of their actions. Decisions are taken in fora where transnational corporations have more of a presence than poor countries which cannot afford to flood the halls of the headquarters of international organisations in Geneva with trained experts explaining their national and regional perspectives.

Invalidating political discourse has also been the agenda of structural adjustment programmes (SAPs) which demand the removal of the state from regulatory functions, from protection of the locally-defined 'commons' and from strategic productive activities. In spite of the fact that 'good governance' has become a condition of loans, SAPs are still largely imposed in Southern Africa by outside technocrats with virtually no discussion about their terms. For example, the 1997 World Bank 'Country Assistance Strategy' for Mozambique was written solely by the country operations director sitting in Washington DC without consultation with any aspect of Mozambican civil society. Both the amount of debt relief and its calculation for Mozambique under the Heavily Indebted Poor Countries (HIPC) initiative were kept secret by the World Bank and IMF until the British Treasury released the statistics.[21] In Zimbabwe, a new phase of SAP (called Zimprest) was made public in April 1998, but was dated 1996–2000.

Critics of globalisation theories emphasise the importance of state agency, denying that states are no longer sources of legitimacy and representation.[22] New regionalism theories are also 'bringing the state back in' by reminding us of aspects of the essential historical role of the state, such as reconciling market dysfunctions. They suggest that state management in a regional context about what productive sectors are strategic and which ones may find niche markets is as important as 'getting the prices right', especially if world prices reflect collusion as much as competition. As stated by Oyejide and Raheem:

> A regional economic integration arrangement [in sub-Saharan Africa] could broaden the production base of the region through explicit public sector planning and coordination of investment and production programs ... It would seem ... counterproductive to move from the bad extreme of overprotection caused by previous policy failures to the *equally bad extreme* of no protection in the guise of an ultra-outward-oriented SAP.[23]

Regional cooperation itself is very likely to depend on the coherence and viability of state structures. Most importantly for a region like Southern Africa, with its persistent and profound poverty, the state can put back on the agenda questions of income disparity and redistribution. To remove major economic decisions from democratic checks and balances increases inequity. Deciding what interest rate best controls the size of the money supply, whether inflation is demand–pull or cost–push or whether economies can afford free primary health care or a guaranteed minimum wage are not technical, econometric problems open to 'solution', as the SAPs would have us believe, but rather highly political choices which have to be made. Theories of new regionalism conceptualise the state as an actor in shaping regional relations and in responding to global exigencies.

The case of Southern Africa does not address every aspect of the theory of new regionalism, but the history and experience of this region are perhaps the best empirical example of how new regionalism might actually work, with the case informing theory. At the same time, the theory underscores some of the contradictions of SADC which continue to threaten its viability.

Development integration in Southern Africa

Just before the independence of Zimbabwe (April 1980), the Frontline States (Angola, Botswana, Mozambique, Tanzania, Zambia) created a regional economic group, the Southern African Development Coordination Conference, which is now SADC, the Southern African Development Community, the name which will henceforth be used. From the beginning, it was to be inclusive, inviting all majority-ruled countries of the region to join, even those which were too vulnerable politically and economically to criticise *apartheid* overtly (e.g. Lesotho and Swaziland). At the least, the leaders felt that SADC relations could offer a regional economic context for those economies dependent on South Africa. They explicitly excluded Namibia which was still ruled by South Africa and, of course, *apartheid* South Africa itself. At the same time they explicitly included, in all their major meetings for over 10 years, delegates from the liberation forces of Namibia and South Africa.

Those forming SADC knew that political cooperation was contingent upon economic coordination. At times, economic projects increase political good will; at others, political resolutions of disagreement are a necessity for economic advances. After democratic South Africa was invited to join SADC in 1994, the African National Congress (ANC) did not have to be taught the lessons. Exiled in the region, it had lost members to *apartheid* bombings; it had experienced the hardship of developing economies. As a pre-transition ANC document explained:

> The region sustained us during our struggle and, with our own, its people's blood was spilled to end *apartheid*. Our destiny is intertwined with the region's; our peoples belong to each other ... We are convinced that the long-term interests of the South African economy will best be served by an approach to regional cooperation and integration which seeks to promote balanced growth and development.[24]

Southern Africa thus began with a multifaceted approach to regionalism, both political and economic. Making the best out of regional armed struggle to gain majority rule, the regional formation was 'cognitive' from the very beginning, with its practice preceding theories of 'new regionalism'. Moreover, SADC was quite deprecated by trade theorists for failing to increase regional trade for over a decade, when that goal was not high on the agenda. Trade integration was not urgent, mainly because it would privilege the already dominant economies (e.g. Zimbabwe). 'Development integration', the term explicitly chosen by SADC in 1992, highlighted instead the goal of cooperation, not simply for trade and economic growth, but to 'enhance the ... quality of life ... and support the socially disadvantaged through regional integration'.[25]

SADC also rejected integration by stages and set priorities by sectors important to the region, not to global transactions. At first, under siege by the *apartheid* regime, member states could only coordinate specific development projects, like the successful sorghum and millet research which led to improved, drought-resistant strains for all areas of the region. Because drought is endemic in the region, other early priorities were the coordination of a regional information network which includes an early warning system, a drought monitoring system, as well as coordinated meteorological services and pest control. This list illustrates what Peter Drucker suggests: the demand of the 'knowledge economy ... makes regionalism both inevitable and irreversible'.[26]

The state as agent

At times, the market can be efficient, but it is not a planner, while governments, individually and collectively, can select and choose. SADC, therefore, has promoted projects which retain state ownership, while encouraging private investment in the enterprise, rather than the reverse of the state subsidising corporations ('incentives'). This approach thereby challenges the globalisation goal of removing the state as an important economic actor. This study goes further by criticising new regionalist theory for also not placing enough emphasis on the crucial role of the state in regionalism. New regionalism emphasises the importance of many other actors (NGOs, labour, business) for regional coordination, correctly pointing out that regional identity and assimilation cannot be dictated from above. Emphasising multiple regional actors also draws attention to the possibility of building cooperation even where 'failed states', such as in sub-Saharan Africa, are manifestly not serving the people. But the experience of Southern Africa supports the idea that 'states are the main actors in new regionalist blocs, sometimes responding to demands generated within society, sometimes in response to external pressures, and sometimes as a result of a particular regionalist vision of relatively autonomous state elites'.[27] In short, the state remains a central coordinator, quite capable of derailing, or promoting, the regional cooperation of other actors.

An example of SADC's innovative approach to maintaining state agency was the successful attraction of investment to the state-run Beira Corridor of port, rail, road and oil pipeline development for landlocked neighbours. Written by SADC and directed by the Beira Corridor Authority of Mozambique, the ten-year plan attracted 22 countries, offering grants and/or loans, and 111 corporations, providing investments. From 1982 to 1990 as many as 15,000 members of the Zimbabwean army protected it from South African raids in Mozambican territory, for it was a life-line to the whole landlocked economy. Through constant sharing and upgrading of information, efficiency steadily increased, with the Corridor handling 50 per cent above the originally estimated capacity during the 1992 drought. Moreover, a regional agreement to form the Beira Development Corridor was signed by the heads of state in early 1997 to encourage businesses to build along the road–rail line for easy access to the port. For example, the Beira Iron Project is processing iron ore from Zimbabwe, using natural gas from Mozambique, to make iron briquettes for the Middle East and the Pacific Rim. The Zimbabwean citrus industry is planning to build juicing plants to raise the value-added component of the citrus crop.[28] By late 1998 the electricity grid connecting Zimbabwe and the Beira Corridor to the Cahora Bassa dam was finally completed (delayed by sabotage of the pylons in Mozambique during *apartheid* destabilisation), which will encourage new industries. At the commissioning, President Joaquim Chissano of Mozambique exalted: 'with the inter-connector lines that cross our common borders, the division of our people by the 1885 Berlin Scramble for Africa became meaningless'.[29]

This history, therefore, offers some explanation why the region is less than enthusiastic about neoliberal demands for unregulated privatisation. Yet SADC does not narrowly pursue one model for state and private enterprise interaction. The Maputo Corridor, comprising road and railways from South Africa's Gauteng Province to the Mozambican port of Maputo, is financed mainly by private investment. In contrast to the Beira Corridor, the governments are the lesser partners.

Another major reason for this reluctance to privatise is that it is perceived as auctioning property to foreigners—referred to in the region as 'selling off the family silver'.[30] Very few, if any, Mozambicans, Tanzanians or Zambians can afford to make the purchases, and resistance has been creative. For example, the national railways in Mozambique were converted from a government authority into a public company, with the government as the sole shareholder, in an attempt to respond to IMF/World Bank demands without relinquishing national control of this profitable network of significant strategic importance to five land-locked countries in the region. Resistance has not, however, meant the reversal of policy; under SAP conditionalities, hundreds of industries have been privatised. The financial outcome has been quite mixed for private profits, state revenues and the costs to consumers and has certainly not become the panacea to eradicate debt and promote growth predicted by international finance. NGOs at UNCTAD offered this summary of the policy:

> Our experience of foreign investment in Africa is that it is minuscule in scale, concentrated in the extractive sectors, and … it has many negative economic, social and environmental effects. The purported necessity to attract foreign investment is utilised by financial institutions and foreign governments as an instrument to impose their policies upon our governments.[31]

The strategic importance of selected state enterprises is thus part of SADC history, validating the role of the state in economic management. In addition, the states have helped to direct the use of appropriate technology, especially in farming and water supply. The joke of the 1992 drought relief was a gift of huge drilling rigs to Zimbabwe from Germany, ostensibly to assist in deepening wells. They arrived after the rains had returned and could not be supported on the wet soil. In the meantime, the state and various local NGO initiatives actually helped villagers to deepen their own wells.

Finally, states have designated selective protection and subsidies to help the most vulnerable. Subsidies have been under attack by SAPs, but several of the SADC states have found a way to sustain the most important. For several years, Zimbabwe and Swaziland maintained free distribution of seed packets to small farmers in drought areas. Estimates in Zimbabwe suggest that the cost of supplying the seed packets was one-tenth of the cost of loans for food imports.[32] 'Non-price support schemes' are also now being employed, such as assisting farmers to organise their own seed supply schemes.

The state-owned Grain Marketing Board (GMB) of Zimbabwe was a target for privatisation under the SAPs, especially because it ran huge deficits. However, its depots provide grain to the most remote areas of Zimbabwe during droughts and its food reserves have aided the region in more than one season. The Zimbabwean government suggested that the commercial accounts of the GMB be separated from the social welfare accounts of storage and provision of grain during droughts. With this simple adjustment in accounting, the GMB became profitable in ordinary grain trade and it was able to maintain its welfare role in times of need. This success in Zimbabwe can be contrasted with the situation in Tanzania, Zambia and Mozambique whose state marketing boards were abolished under SAP conditionality. Today, Mozambique is still unable to have grain moved from areas of surplus to areas of need, for those remote needy areas are unprofitable for private transporters.[33]

A final example of the crucial role of the state in Southern Africa is its vital social function in promoting greater equality and in the provision of primary education and primary health care. One of the poorest countries in the world, Tanzania, had 100 per cent primary school attendance in the 1970s, with well over 90 per cent literacy. SAP conditionality in the 1980s required students to pay school fees, even at the primary level. Primary school attendance has consequently fallen to about 75 per cent; in Zambia, it is under 60 per cent. During the 1992 drought, Zimbabwe was required by the IMF to impose user fees on primary health clinics in rural areas. After two years of outcry, the fees were removed, but under austerity conditions the government is prohibited from spending the necessary funds and the health care delivery system is crumbling. By contrast, in the 1980s, before SAP, Zimbabwe won international awards in health care and UNICEF cited its achievements in inoculation and the reduction of infant mortality.[34]

In summary, state coordination remains central to SADC in respect of its ambition to ameliorate economic disparities. State decisions designate strategic investments like the Beira Corridor. Appropriate technology is promoted. Selected subsidies, such as in seed or food supply, are provided for the most vulnerable who have no margin for 'belt-tightening'; by the next harvest, they would be dead. Finally, governments do not find full privatisation of health care affordable, either in terms of fees or lost lives.

Only by late 1998 did one World Bank official, Vice-President for External Affairs, Mark Brown, admit at a conference in Cape Town that Bank policies were 'unsympathetic to the exigencies of post-conflict societies'. He noted that:

> The push for a stable macro-economic environment has led, in too many cases, to public spending reduction at too precipitous a rate; the removal of food subsidies before people have the earning power to buy food; over-rapid privatisation before there is enough domestic capital formation to create a class of businessmen who can buy these businesses; and trade liberalisation before domestic industry is ready to compete ... In post-conflict societies, it is politics rather than economics that is in command.[35]

However, World Bank/IMF policy that any support for regional integration must lead to generalised liberalisation has yet to change.

Regional military security

As noted above, the origins of SADC are to be found in the military alliance of the Frontline States which was first organised in 1974 to assist in the liberation of Zimbabwe. As the name indicates, it was a regional security alliance of those states bordering Rhodesia. From the beginning, the states viewed their sovereignty as interdependent with each other, for the white minority governments of Rhodesia and South Africa regularly conducted cross-border bombing and commando raids. Even though Botswana, for example, never allowed military training camps to exist on its territory, it was still regularly invaded by the *apartheid* regime.

After winning its independence in 1980, Zimbabwe joined the Frontline States in resisting continuing South African incursions into all of the states, except more remotely located Tanzania. The ability of the Frontline States to stay united and resist (albeit not defeat or stop) massive destabilisation efforts by South Africa was one important factor in the demise of *apartheid.* After the Soweto uprising in 1976, for example, thousands of students crossed borders seeking and receiving asylum; some also received military training. With few possible sanctuaries inside South Africa because of the ruthless efficiency of the security agents, the border states were crucial. Equally important, as majority-ruled governments, they belied South African propaganda. At a time of high tension in 1982, the South African regime accused Mozambique of deploying 'highly sophisticated weapons' against *apartheid.* President Samora Machel replied that its 'sophisticated weapons' were no more, and no less, than the 'alternative civilisation, in which all human beings of all races are equal, and in their diversity enrich their culture and talents'.[36]

Hettne has noted that the EU does not yet have its own joint defence identity;[37] as we have seen, the six states of Southern Africa, in contrast, implemented one of the key goals of regionalism, namely, regional strategic alliance, before more expansive economic coordination. The Frontline States not only survived South African destabilisation, but took the lead in countering Cold War propaganda, especially from the USA, the UK and Germany, which sought to characterise the *apartheid* regime as a bastion against 'communism'. Because of their history, sovereignty has long been viewed in a regional context, with, for example, every head of state stating that their own national security is inseparable from regional security. It is worth repeating too that such statements were not mere rhetoric, but were accompanied by economic, military and political support at high costs in terms of loss of life and delayed economic growth. This Southern African security legacy thus remains unique not only on the African continent but also among Latin American and Asian countries. Ignoring it distorts analysis of current regionalist efforts and failings, a mistake Fredrik Soderbaum does not make in summarising the contradictions of the situation:

> In so far as intergovernmental security relations are concerned it can be argued that Southern Africa has reached the stage of a security community. However, the region is a very 'insecure' part of the world where new and previously buttressed conflicts and threats have emerged on the scene after the end of the Cold War and apartheid, often with a strong regional dimension.[38]

What is more, after *apartheid*, SADC has operated jointly to sustain political stability in the region. In June 1994 South Africa, Zimbabwe and Botswana threatened to send forces into Lesotho when Letsie III unconstitutionally dissolved the government. In October 1994 several presidents acted to convince Afonso Dhlakama of Renamo (the Mozambique National Resistance) not to withdraw from post-war multiparty elections. In October 1995 South African Deputy President Thabo Mbeki rushed to Mozambique to make sure Dhlakama did not stage the coup that was being rumoured. In February 1996 a coup attempt was again thwarted in Lesotho.[39]

A formal SADC Organ for Politics, Defence and Security was set up by 1996, which operates separately from the SADC secretariat, with the agreement that the country chairing the organ (Zimbabwe) will perform the functions of a secretariat. Keeping the Organ distinct from other SADC structures represents a compromise emerging from extended and intense SADC debates. Some officials wanted the security mechanism to remain totally separate, as was the alliance of the Frontline States; others wanted it to become totally integrated into SADC. The compromise moved beyond the Frontline model by incorporating military coordination into a SADC organ, while at the same time totally decentralising it away from the Secretariat. This approach allowed greater choice among SADC members about whether to join a particular security operation, without calling into question their overall participation in SADC. The security organ, therefore, was never devised to require all of the members to act uniformally on every issue, a point often missed by journalists who decry the demise of SADC when they report variable responses to a security issue.

Following the general SADC mode of operation, technical officials meet and actually do most of the work. Officials from the ministries of defence, home affairs and state security thus meet regularly to discuss mutual concerns. The informal, technical level of operation emphasises shared problem-solving and reduces the politicisation of a problem (e.g. smuggling). This approach has worked successfully in other SADC sectors, especially in agriculture and natural resources (coordinated by Zimbabwe), in energy (Angola) and transport and telecommunications (Mozambique). When decisions cannot be reached, they are passed on to a Council of Ministers for debate and, of course, can be tabled. A final distinctive, but typical, SADC feature is the multisectoral approach to security. Security is not limited to military or policing issues, but is defined comprehensively to include conflict prevention, social justice, the rule of law, human rights and migrant labour, as well as political stability. A major environmental security issue, water, will be discussed shortly.

All in all, it remains to be seen how the transition from the Frontline States to a SADC security organ fares. The first major test was just two years after the demise of political *apartheid* when Uganda and Rwanda attempted a military overthrow of Laurent Kabila of the Democratic Republic of the Congo (DRC). The Kinshasa government was saved only by the timely action of the Zimbabwean air force. Because 'zero tolerance' for coups is one of the strongest principles of SADC, the quick action was not condemned. It was when Angola, Zimbabwe and later Namibia decided to stay in the Congo to defend the Kabila government militarily that dissension among members disrupted and delayed ordinary SADC business. The disagreement was over whether the neighbours should first promote negotiations. The decentralised, informal operations of the Organ allowed President Robert Mugabe of Zimbabwe to declare that the three states were acting on behalf of SADC. It is true that no SADC formal agreement was necessary, as was true for previous actions in Lesotho or Mozambique. Yet several states were very critical that consultations about remaining in the DRC were not sufficiently pursued.

However, SADC members have not walked out on each other over the disagreements. Kabila has been given the deference of a SADC member, while at the same time being pressured to engage in negotiations. SADC has met often to discuss the DRC, eventually appointing President Chiluba of Zambia to chair the sessions, with Presidents Mkapa of Tanzania and Chissano of Mozambique to assist, consciously broadening the participation and responsibility of member states. Two committees under the SADC Lusaka peace process have improved mutual consultation by collecting information about the security concerns of the DRC's neighbours (which are not all in SADC) and by drafting 'modalities' for an eventual ceasefire.

SADC refused membership to the Zaire (Congo) under Mobutu Sese Seko for political reasons. When he was overthrown, it quickly admitted the DRC, wanting to incorporate its vast natural resources into SADC's economic agenda. However, the inevitable political turmoil of the Congo, after almost 40 years of tyranny, adds a considerable burden to a region still trying to stabilise after *apartheid* violence. The political weight of the DRC may negate its economic riches. SADC alone cannot enforce peace in the Congo; in mid 1999, showing compromise based on real limitations, President Mbeki suggested that the warring sides police each other's cease-fire with a neutral force (from the UN or the Organisation of African Unity) becoming the overall coordinator. With six countries and three rebel groups involved militarily, the road to stability in the Congo will be another 'long walk'.

This experience informs the theoretical debate about whether the autarchic 'Westphalian' state is an anachronism. Depending on the history and policies of the geographic area, the region can become a unit of analysis, which means that the understanding of domestic political economies will be very partial if one analyses only the state. Just as many scholars are affirming that local civil societies are playing a key role in public policies at the domestic and global levels, this study argues that insight about the 'Congo' (or South Africa) requires analysis of the region.

Regional environmental security

For Southern Africa, the environmental priority is the regional sharing and protection of water resources. No one country can do this alone. In fact, it is the one major resource for which powerful South Africa remains dependent on its regional neighbours. For example, wealthy Gauteng Province in South Africa is increasingly looking to the Zambezi River for future industrial growth. Even if all the proposed dams are built, analysts estimate that Zimbabwe will need to use Zambezi water from about 2013. The Botswana Master Water Plan also includes the Zambezi as a future source for Botswana.

In Southern Africa, there are 13 international river basins, with 70 per cent of the regional surface water shared by two or more countries. The SADC approach to regional coordination of water is two-fold, organising river basin protocols and pursuing an integrated water strategy, which addresses ground water, rural and urban water supply systems and sanitation. A Protocol on Shared Watercourses is a step toward codification of laws for water resource use.[40] The Zambezi River Basin Commission will serve as a model for the other river basins to provide regional environmental management of a vital resource. The Zambezi is 3000 kilometres long, with a drainage basin from eight of the SADC members. An Environmental Impact Assessment Model has been completed to begin to fulfill the objective of 'incorporating environmental considerations in water-resource management while increasing long-term sustainable development in the river basin.'[41]

Issues like water pricing will take several years and much debate to resolve, for South Africa and Zimbabwe have subsidised water prices for large commercial farmers for over 100 years, to the detriment of supply to others. Water issues could tear SADC apart, confirming the insight of new regionalist theory that competition is as much a part of new regionalism as cooperation. Shared watercourse systems may become SADC's greatest point of vulnerability, not only in terms of inter-state rivalry but in addressing overly technocratic and elitist development models which serve large-scale farmers and corporations. This sector is one where relying on technocrats to funnel water may defeat the multiple social and environmental objectives:

> What is needed ... is an approach to River Basin Management that does not in every case privilege the arguments of science and business ... To ignore the needs of rural people in the hope of generating power for export or to increase irrigation for cash crops is to sacrifice long-term ecological sustainability and human security for short-term, debt-driven gains.[42]

The debates will be multidimensional as new regionalism theory points out, not only among the states but within the civil societies, all sectors of which are stakeholders when it comes to available, affordable water. Insufficient water as a constraint to growth is an excellent example of an environmental security issue which can *only* be dealt with in a regional forum.

The region as a unit of analysis

This article has suggested that regionalism offers much more to Southern economies than simply 'economies of scale' or 'getting the prices right' for global competition. It draws upon IPE theories of 'new regionalism' in calling for analyses which actually employ the region as a unit of analysis; if the 'Westphalian state' is in demise, we must no longer analyse countries as isolated entities; we must advocate economic policies which acknowledge the regional impact of 'domestic' economic decisions. One example in the political realm is that 'national' security has manifestly become a 'regional' security issue in Southern Africa. In the economic security realm, sustainable water is also only available on a regional basis; national self-interest can only be addressed by regional management and planning.

Using the region as a unit of analysis does not erase the necessity to analyse disparities and inequities. It does, however, modify the 'winner-takes-all' syndrome, for 'taking all' can quickly lead to destruction for the 'winner', be it in respect of sufficient water or military security. Continuing analyses of regional distribution and equity will better specify the regions. Political *apartheid* in Southern Africa is defeated, but not yet economic *apartheid.* Internal disparities are reinforced by regional ones. Zimbabwe, Zambia and Tanzania, for example, cannot unilaterally stop the 'brain drain' to South Africa, because their economies cannot support medical or engineering salaries at the same level. SADC is trying to avoid putting up border fences with guard dogs; quite the opposite, it is talking about removing all visa requirements for citizens of its member states. How to eradicate economic *apartheid* needs regional, not simply domestic, economic analysis.

Costs can be calculated differently on a regional basis. For example, Zimbabwe and the IMF had long discussions in 1993 about the 'cost effective' size of planned grain reserves. The IMF wanted them to be as low as 500,000 tonnes per year to meet just 4 months of only Zimbabwean demand. President Mugabe insisted that the annual storage quota be over 900,000 tonnes. He was ridiculed by international experts in the press for apparently wasting money. Only one season later in 1994 did Zimbabwe use up every grain of its 936,000 tonne reserve because the region was hit by another drought. Zimbabwe's grain surpluses saved itself and several SADC neighbours from having to pay higher prices for emergency supplies. Given the 1992 and 1994 droughts, it would appear sensible to calculate grain availability on a regional, not national, basis. SADC continues to refuse to enter the global grain market on a country-by-country basis. Yet the pressure to do so continues to be enormous, from SAPs to the WTO to foreign aid agencies.

Regions need to acquire increased bargaining strength to gain concessions from the WTO and other international agencies.[43] A regional perspective on exports would reduce competition which is self-defeating, such as the export of citrus and flowers. SADC has a history of coordinating the export of beef from Zimbabwe, Botswana and Namibia to Europe; Zimbabwe, Swaziland and Malawi have also jointly negotiated a sugar protocol with the EU. Non-traditional exports could be evaluated in regional terms, reducing competition by planning entry into global markets. The challenge is to use cooperation to enhance relative strengths and reduce weaknesses in relating to industrialised countries.

Given the formation of SADC in the midst of the *apartheid* regime's onslaught, the fact that SADC saved 20 million people from starvation in the 1992 drought and the reality that SADC has survived for almost 20 years while continually transforming itself to meet new situations, its experience has lessons to offer other Southern regions. At the same time, its very existence remains precarious; it could not be otherwise for a marginalised region trying to challenge aspects of the dominant ideology of globalisation. Regional co-operation will not defeat the agendas of international capital, inside or outside the region, but it may perhaps modify them. Southern Africa's approach to regionalism is not to use it as a quick launching pad to globalisation as the WTO prefers. Neither is it to seek 'autonomous development' by retreating behind protectionist walls. It is instead a practical means of working collectively to overcome economic marginalisation by transforming structural weaknesses and trying to turn strengths into advantages, while at the same time gradually integrating into the global economy.

Notes

1. Andrew Hurrell & Ngaire Woods, 'Globalisation and Inequality', *Millennium: Journal of International Studies*, Vol. 24, No. 2 (1995), p. 469.
2. Southern Africa comprises the following countries according to their own regional coordination in the Southern African Development Community (SADC): Angola, Botswana, the Democratic Republic of the Congo, Lesotho, Malawi, Mozambique, Mauritius, Namibia, the Seychelles, South Africa, Swaziland, Tanzania, Zambia and Zimbabwe.
3. Bjorn Hettne, 'Development, security and world order: a regional approach', in: Cristobal Kay (Ed.), *Globalisation, Competitiveness and Human Security* (Frank Cass, 1997), p. 85.
4. The World Bank reported that, since the mid 1990s, coffee is down −54 per cent, maize −58 per cent, cotton −51 per cent, sugar −51 per cent, copper −52 per cent, nickel −60 per cent, all important commodity exports for Southern Africa. See the World Bank, 'Global Commodity Markets' (January 1999) at http://www.worldbank.org/prospects/gemonline/feature.htm; Dan Atkinson, 'Commodity prices go into free fall', *Guardian Weekly*, 21 February 1999; Rafiq Ahmed, 'The 1998 Commodity Review', *African Business* (January 1999), pp. 32–3; and Economic Commission for Africa, 'African Economic Report 1998', 5 August 1998, giving data for 1997 at http://www.un.org.depts/eca. Primary commodity reports for the early 1990s are given in UNCTAD, 'Least-Developed Countries 1997 Report', press release 23 September 1997.
5. Gary van Staden, 'Africa loses Uruguay Round', *Africa South and East* (February 1994), p 18. Emphasis added.
6. Mascha Modoerin & Gottfried Wellmer, 'Apartheid-Caused Debt: The Role of German and Swiss Finance', 2 March 1999. See summary at http://www.aidc.org.za/j2000/acd/summary.html.
7. Africa Policy Information Center (APIC), 'Africa's Debt', Background Paper 12, Washington, DC, (December 1998); and Testimony before the Africa Subcommittee of the U.S. House of Representatives by Njoki Njoroge Njehu, Director of the 50 Years is Enough Campaign. The full testimony can be found at http://www.50years.org/update/testimony.html. See also both the Jubilee 2000 website at http://

www.jubilee2000uk.org and the European Network on Debt and Development (Eurodad) website at http://www.oneworld.org/eurodad.

8. Jeffrey Sachs, the Harvard economist who promoted 'shock therapy' in several economies, now admonishes: 'it's a cruel joke for the world's wealthy governments to protest that they can't afford to cancel the debts ... we should insist that Africa's regional groupings like the Southern African Development Community, help set the terms' [for debt cancellation]. *New York Times*, 14 June 1999.
9. UNDP, 'Consumption for Human Development—Perspectives from Sub-Saharan Africa' (Human Development Report Office, July 1998), p. 3; and Dot Keet, 'Integrating the World Community: Political Challenges and Opportunities for Developing Countries', *Southern African Perspectives*, No. 70 (1998), pp. 28–9.
10. UNDP, 'Consumption for Human Development', pp. 2–3, 6.
11. World Bank economists are central to trade bloc 'new regionalism' theories. See Jaime de Melo & Arvind Panagariya (Eds), *New Dimensions in Regional Integration* (Cambridge University Press, 1993). Further references (highly selective) include: Wilfred Ethier, 'The New Regionalism', *The Economic Journal*, Vol. 108, No. 449 (1998), pp. 1149–61; Paul Bowles, 'ASEAN, NAFTA and the "New Regionalism"', *Pacific Affairs*, Vol. 70, No. 2 (1997), pp. 219–32; Charles Oman, 'The Policy Challenges of Globalisation and Regionalisation', OECD Development Centre, Policy Brief No. 11 (1996); WTO Secretariat, 'Regionalism and the World Trading System, (WTO, 1995); Jong Park, 'The New Regionalism and Third World Development', *Journal of Developing Areas*, Vol. 11, No. 1 (1995), pp. 21–35; and Peter Robson, 'The New Regionalism and Developing Countries', *Journal of Common Market Studies*, Vol. 31, No. 3 (1993), pp. 329–48.
12. Aaron Friedberg, 'Ripe for Rivalry—Prospects for Peace in a Multipolar Asia', *International Security*, Vol. 18, No. 3 (1993/4), pp. 5–33; Frans Buelens, 'The Creation of Regional Blocs in the World Economy', *Intereconomics*, Vol. 27, No. 3 (1992), pp. 124–32; and Richard Rosecrance, 'Regionalism and the Post-Cold War Era', *International Journal*, Vol. 46, No. 3 (1991), pp. 373–93.
13. Andrew Hurrell, 'Explaining the Resurgence of Regionalism in World Politics', *Review of International Studies*, Vol. 21, No. 4 (1995), p. 346; and Elliot R. Morss, 'The New Global Players: How They Compete and Collaborate', *World Development*, Vol. 19, No. 1 (1991), pp. 55–64.
14. For an excellent summary discussion of these failures, see Colin Leys, *The Rise and Fall of Development Theory* (Indiana University Press, 1996).
15. James Mittelman, 'Rethinking the "New Regionalism" in the Context of Globalisation', *Global Governance*, Vol. 2, No. 2 (1996), pp. 190–2.
16. Daniel Bach, 'Regionalism versus regional integration: the emergence of a new paradigm in Africa', in: Jean Grugel & Wil Hout (Eds), *Regionalism across the North-South Divide* (Routledge, 1999), p. 152.
17. Leo DeHaan, 'Regional food trade and policy in West Africa in relation to structural adjustment', in: David Simon *et al.* (Eds), *Structurally Adjusted Africa* (Pluto, 1995), p. 65.
18. Mittelman, 'Rethinking the "New Regionalism"', p. 191; and Bjorn Hettne, 'The double movement: global market versus regionalism', in: Robert W. Cox (Ed.), *The New Realism—Perspectives on Multilateralism and World Order* (United Nations University Press, 1997), p. 229.
19. Hurrell, 'Explaining the Resurgence of Regionalism', p. 335.
20. 'The artificial character of African boundaries is clearly demonstrated by the fact that 44 per cent are made up of astronomical lines (meridians and parallels), 30 per cent of mathematical lines, and the remaining 26 per cent of geographical features.' Bach, 'Regionalism versus regional integration', p. 157.
21. Joseph Hanlon, 'World Bank Urged to Delay Decision on Controversial Mozambique Country Assistance Strategy', *Metical*, 21 November 1997; 'The Mozambican Debt Group', *ibid.*, 10 December 1997; and 'New official data shows Mozambique gains little or nothing from debt relief', 4 June 1998, posted at http://www.africapolicy.org/action/debt.htm.
22. Louise Amoore *et al.*, 'Overturning "Globalisation": Resisting the Teleological, Reclaiming the "Political"', *New Political Economy*, Vol. 2, No. 1 (1997), pp. 179–95; Paul Hirst & Grahame Thompson, 'Globalisation and the Future of the Nation State', *Economy and Society*, Vol. 24, No. 3 (1995), pp. 408–42; and Leo Panitch, 'Globalisation, States and Left Strategies', *Social Justice*, Vol. 23, Nos. 1–2 (1995), pp. 79–90.
23. T. Ademola Oyejide & Mufutau L. Raheem, 'Long-term development in sub-Saharan Africa: would regional integration help?', in: Giovanni Andrea Cornia & Gerald K. Helleiner (Eds), *From Adjustment to Development in Africa* (St. Martin's Press, 1994), p. 369; see also p. 375. Emphasis added.
24. African National Congress, 'New Foreign Policy for South Africa', mimeo (October 1993), pp. 9–10.

25. Southern African Development Community, 'Objectives' in 'Declaration and Treaty', revised 17 August 1992, Windhoek, Namibia.
26. Peter Drucker, *Post-Capitalist Society* (Heinemann, 1993), p. 137.
27. Jean Grugel & Wil Hout, 'Regions, regionalism and the South', in: Grugel & Hout, *Regionalism across the North–South Divide*, p. 4.
28. Beira Corridor Group, 'Committed from the Top', *BCG Bulletin*, No. 52 (January 1997), pp. 1–3, 7; and 'Building on Beira', *BCG Bulletin*, No. 51 (September 1996), pp. 1–4.
29. 'Presidents commission inter-connector', *Herald* (Harare), 10 October 1998, p. 1.
30. 'Selling the family silver' was a term used by the African National Congress in 1989, when the *apartheid* government sold Iscor, the state steel corporation. The privatisation was viewed as selling to *apartheid* friends before a majority-ruled government could take control.
31. United National Commission on Trade and Development (UNCTAD), 'The market doesn't replace need for development cooperation', NGO Declaration, IX International Meeting of UNCTAD, Midrand, South Africa, April 1996, p. 2.
32. Save the Children—UK, Harare, Zimbabwe, interviews, November–December 1992.
33. The dismantling of inefficient government marketing boards has not always led to more competitive or effective markets, according to UNCTAD. Africa's experience with agricultural reform, states UNCTAD, 'is yet another example of a "big bang" liberalisation without preparing the institutions and infrastructures needed for markets to perform effectively.' Quoted in Ernest Harsch, 'Africa Strives to Revitalize Agriculture', *Africa Recovery*, Vol. 11, No. 2 (October 1997), p. 7.
34. UNICEF, *Progress of Nations* (UNICEF, 1994).
35. Quoted in Mozambique Information Agency, *Mozambiquefile* (December 1998), p. 16.
36. Quoted in Mozambique Information Agency, *Mozambiquefile* (February 1999), p. 5. For further details on *apartheid* destabilisation, see Phyllis Johnson & David Martin (Eds), *Destructive Engagement* (Zimbabwe Publishing House, 1986); and Carol B. Thompson, *Harvests under Fire* (Zed, 1991).
37. Bjorn Hettne, 'Globalism, Regionalism and the Europeanisation of Europe', *Politeia*, Vol. 17, No. 3 (1998), p. 55.
38. Fredrik Soderbaum, 'The New Regionalism in Southern Africa?', *Politeia*, Vol. 17, No. 3 (1998), p. 89.
39. In late 1998 South Africa sent air and ground forces into Lesotho to forestall an uprising over election fraud allegations. Because the intervention was quite repressive, it was condemned throughout the region. SADC provided mediators for subsequent negotiations among opposition political parties in Lesotho and the South African and Lesotho governments.
40. Paul Maro, Senior Technical Advisor, SADC-Environment and Land Management Unit, Maseru, Lesotho, interview, July 1996; and Southern African Development Community, 'Shared Watercourse Systems Protocol', signed at SADC Summit, South Africa, 1995.
41. Southern African Development Community, 'ZACPLAN, Zambezi River System Action Plan' (SADC, n.d. [approx. 1990]), p. 3. In 1997, the United Nations selected the Zambezi River Basin as a focus by the Special Initiative's Informal Water Working Group. UNEP, UNIDO, and WMO are all working with SADC on pilot projects for monitoring water quality, collecting hydrometric data and planning equitable and sustainable use of shared water resources. See 'Strengthening Water Basin Management of the Zambezi', *Africa Recovery*, Vol. 11, No. 2 (October 1997), p. 23.
42. Larry Swatuk, 'Power and Water—The Coming Order in Southern Africa', *Southern African Perspectives*, No. 58 (1996), p. 31.
43. For a discussion of how regionalism is seen as entry into the global market, especially because of increased bargaining power, see Diana Tussie, 'Multilateralism Revisited in a Globalising World Economy', *Mershon International Studies Review*, Vol. 42, Suppl. 2 (1998), pp. 191, 193. In a commentary on the above, Helge Hveem argues that regionalism will 'not be only market driven as Tussie seems to imply'. Helge Hveem, 'Commentary', in: *ibid.*, p. 202.